

DDA Registry

File 04111

17 December 1976

MEMORANDUM FOR THE RECORD

FROM : John F. Blake
Deputy Director for Administration

SUBJECT: Amenities in Connection with Departure of DCI

STATINTL

1. The matter of both "events" and "awards" in connection with the departure of the DCI have been the subject of informal discussions among [REDACTED] and Messrs. McMahon, Evans and Blake. The following represents the consensus of their discussions.

STATINTL

2. As to "events" and "awards", and listed in sequential order, they are to be:

a. A reception in the Rendezvous Room on Wednesday, 12 January 1977, hosted by the National Foreign Intelligence Board (NFIB). The hours will be 5:30 to 7:30 p.m.. At that time the DCI will be presented the National Intelligence Distinguished Service Medal (NIDSM).

b. On Wednesday, 19 January 1977, at 11:00 a.m., there will be a presentation in the Auditorium of the Distinguished Intelligence Medal (DIM) to the DCI. It would also be appropriate to present him, at that time, with the "gold bordered" entrance credential presented to former DCI's.

c. On Wednesday, 19 January 1977, between the hours 2:00 to 5:00 p.m., there will be an "Employees Reception" in the Rendezvous Room. Mrs. Bush will be invited to be present. Each Directorate will be given a specific time block to have its employees present to present their compliments.

d. On Monday, 24 January 1977, at 6:30 p.m., there will be a "Senior Officers Dinner" for the Director and Mrs. Bush. It is also proposed to invite the new Director and his wife. Physical constraints will hold attendance to a total of 65 people. A proposed guest list will be drawn up.

e. Mr. Ben Evans is handling directly with the White House the award of a National Security Medal (NSM) to the DCI.

f. A gift will be presented to the DCI at both the NFIB affair and the Senior Officers Dinner. In addition, at the Senior Officers Dinner, I will ask each Directorate to make a presentation of a gift of no great intrinsic value. We will also present an Agency plaque and flag. Messrs. McMahon and Blake will consult with [REDACTED] on appropriate gifts to consider.

STATINTL

g. Attention should be given to the development of a "farewell notice" to employees from the DCI and, additionally, a message to [REDACTED] foreign field personnel.

STATINTL

/s/John E. Blake

John F. Blake

Distribution:

Orig - DCI Attn: [REDACTED] by hand
1 - DDCI by hand
1 - AD/DCI/IC by hand
1 - Exec. Secretary by hand 1 - ADDA by hand
~~1 - DDA Subject~~
1 - DDA Chrono
1 - JFB Chrono

STATINTL

DDA:JFBlake:der (17 December 1976)

13 January 1977

MEMORANDUM FOR: Mr. Theodore C. Sorensen

FROM : John F. Blake
Deputy Director for Administration

Sir:

1. This paper presents a series of attachments which are responsive to matters discussed between us on Tuesday, 11 January 1977. The attachments address the following subjects:

- Attachment A--an unclassified statement containing justification for your use of a Government-provided vehicle and driver.
- Attachment B--this attachment is an unclassified statement which represents your endorsement of the Peterson Pay Commission. We have endeavored to associate your support with relevant facts pertaining to CIA. For your information, there is a total of [REDACTED] people in the Agency who are compensated at either the Executive-Level pay position scale, the supergrade scale (GS-16, GS-17, and GS-18), or the Scientific Pay Scale. I have also included, for your background, at Attachment B a letter sent by Director Colby to the President on 13 January 1975 which addresses itself to this same general issue.
- Attachment C--this attachment presents the facts on those individuals brought into the Agency by both Mr. McCone and Dr. Schlesinger to serve them in a direct supporting staff capacity.

UNGRADED TO UNCLASSIFIED
ON REMOVAL OF ATTACHMENTS
"I" and "D"

25X9

25X1A

-- Attachment D--this attachment acquaints you with the authorized strength of the Offices of General Counsel and Legislative Counsel, as well as the Intelligence Community Staff.

2. I would also like to take this occasion to follow through on several other matters we have discussed. We have put [REDACTED] under a consultant contract at a fee of \$152.32 per day, effective 12 January 1977. I had a pleasant session with [REDACTED] and have given him a brief historical orientation on the Agency, as well as a briefing on our organizational structure, and have acquainted him with the names of the senior officers. He has also had a discussion with Mr. Gambino designed to acquaint him with our security culture and discipline.

3. We have sent some material on the Washington area to [REDACTED]. I am also making arrangements for a [REDACTED] who performs real estate functions for the Agency, to meet with [REDACTED] in New York City next week and give her further orientation. [REDACTED] has need to be in New York City and looks forward to the opportunity to perform this courtesy.

John F. Blake

5 Atts

Distribution:

Orig - Mr. Sorensen w/Orig Atts

STATEMENT ON PETERSON PAY COMMISSION

During the last 18 months, we lost the services of about 14 percent of our executive staff through voluntary retirements or resignations below age 60. This represented more than 1,750 man-years of progressive Agency experience leading in each case to the exercise of senior executive responsibilities of the officers concerned. Although not expected to retire before age 60, the average age of those who retired at the GS-16 level was 55; at GS-17, 49; at GS-18, 52; and the Executive Pay level averaged 57 years of age. These retirements before 60 represent a loss of approximately [REDACTED] potential man-years STATINTL which would have been provided by these experienced personnel. It is our considered judgment that a great number of these individuals would not have departed had there been a more equitable compensation arrangement. This is true because not only would their current income have been at a higher level, but it would have guaranteed an appreciably higher pension income for life.

The contribution which these officers might have made, and which is now lost, is impressive. They were experienced senior officers in operations; in the analysis of economic, strategic forces, political intelligence; in our world-wide communications systems; and in managing support to the Agency's operations.

While this loss of executive talent is serious, I believe the pay ceiling is equally damaging through its intangible effect on the morale of senior officers in those levels wherein the lack of equitable compensation still exists.

In the interest of this Agency and, of course, the entire Federal service, I commend to you the support of appropriate legislation to provide an early lifting of this very serious restriction on our ability to attract, stimulate, and keep the very best personnel at executive levels.

74-715

18 JAN 1975

The President
The White House
Washington, D. C. 20503

Dear Mr. President:

The Civil Service Commission recently made a study of the impact of the \$36,000 pay ceiling for Federal employees. This Agency's experience was not included in that study for security reasons, but I believe you would also be interested in the damaging effect of that ceiling on the management of CIA's personnel resources.

STATINTL As of 1 July 1973, [redacted] executives under age 60 were on duty in this Agency. From then through the end of December 1974, we lost the services of about [redacted] through voluntary retirements below age 60. This represented more than 2,000 man-years of progressive Agency experience leading in each case to the exercise of senior executive responsibilities by the officers concerned. Although they were not expected to retire before age 60, the average age of those who retired at the GS-16 level was 54; at GS-17 it was 53; and those who retired at GS-18 and the Executive Pay level averaged 55 years of age. These retirements before 60 represent a loss of approximately [redacted] potential man-years which would have been provided by these experienced personnel. STATINTL

The contribution which these officers might have made is impressive. Thirty-nine were senior geographic specialists in covert collection operations; 25 were expert in the analysis of economic, scientific, photographic, and political intelligence; seven were involved in directing our worldwide communications system and 17 in managing support to Agency operations. Although all of these were influenced to retire by several factors, the \$36,000 pay ceiling was certainly a factor of some significance in each case.

While this loss of executive talent is serious, I believe the pay ceiling is even more damaging through its intangible effect on the attitudes and behavior of senior officers in those levels wherein it precludes pay distinctions. The fundamental nature of our society denies the wisdom of removing pay incentives from those factors which motivate performance among our most responsible Federal officials.

In the interest of this Agency and, of course, the entire Federal service, I commend to you the support of appropriate legislation to provide an early lifting of this very serious restriction on our ability to attract, stimulate and keep the very best personnel at executive levels.

Respectfully,

/s/ W. E. Colby

W. E. Colby
Director

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DD/Pers/PAC: [redacted] bkf (24 Dec 74)
Revised: WEColby: bkr (5 Jan 75)

25 JAN 10 10 11 AM '75

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